

Terms and Conditions

The following Terms and Conditions shall apply to any sale of goods by Spectrum Automation Solutions, LLC, having a place of business located at 2934 Highland Dr. Hudsonville, MI 49426. Any purchase order covering the sale of goods ("Purchase Order") shall be governed by these Terms and Conditions and other written provisions mutually agreed upon, if any. Any oral understandings are expressly excluded. Buyer's silence or acceptance or use of goods constitutes its acceptance of these Terms and Conditions. No modification or addition to these Terms and Conditions shall be effective unless agreed upon in writing and signed by an authorized representative of Spectrum Automation Solutions.

1. Pricing and Payment

The price of the goods is the price stated in the proposal. Prices do NOT include state and local taxes.

The prices contained in any proposal or Purchase Order shall be considered confidential information. Buyer agrees to hold such information in strict confidence and not to disclose it to any third parties. Notwithstanding the foregoing, Buyer may disclose such information only to the extent necessary to fulfill the obligation set forth herein. Buyer agrees to take all reasonable measures to protect the confidentiality of and avoid disclosure or use of such confidential information in order to prevent it from falling into the public domain or the possession of persons other than those persons authorized hereunder to have any such information, which measures shall include the highest degree of care that it utilizes to protect its own confidential information of a similar nature.

Any payments for goods purchased by Buyer ("Payments") shall be made as specified in the proposal. To the extent permitted by law, Buyer agrees to pay a late fee in the amount not to exceed 2% of any Payment that is more than thirty (30) days late].

2. Shipping Terms and Transfer of Title:

Unless explicitly specified in the system proposal, shipping is invoiced separately from the proposal and shall be the responsibility of the Buyer. The order shipment will be delivered within a reasonable time after such order is placed. Spectrum Automation Solutions shall not be liable for any delays, loss, or damage in transit. Title to the shipment and risk of loss pass to the Buyer at the time the carrier accepts the shipment.

As collateral security for the payment of the order, Buyer hereby grants to Spectrum Automation Solutions a lien on and security interest in and to all of the right, title and interest of Buyer in, to and under the order, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. Spectrum Automation Solutions may file a UCC financing statement for such security interest and Buyer shall execute such statements or other documentation necessary to perfect Spectrum Automation Solutions' security interest in the order. Buyer also authorizes Spectrum Automation Solutions to execute, on Buyer's behalf, such statements

Terms and Conditions

or other documentation necessary to perfect Spectrum Automation Solutions' security interest in the order. Spectrum Automation Solutions shall be entitled to all applicable rights and remedies of a secured party under applicable law.

3. Inspection and Rejection of the Order

Buyer shall inspect the order within (15) days of receipt (the "Inspection Period"). Buyer will be deemed to have accepted such order unless Buyer notifies Spectrum Automation Solutions in writing of any Nonconforming Goods during the Inspection Period and furnishes such written evident or other documentation as required by Spectrum Automation Solutions. "Nonconforming Goods" means only the following: (i) product shipped is different than identified in the system proposal; or (ii) the product's label or packaging incorrectly identifies its contents.

If Buyer timely notifies Spectrum Automation Solutions of any Nonconforming Goods, Spectrum Automation Solutions shall, in its sole discretion, (i) replace such Nonconforming Goods, or (ii) credit or refund the Buyer for such Nonconforming Goods. Buyer shall ship, at its expense and risk of loss, the Nonconforming Goods to Spectrum Automation Solutions' facility located at [2934 Highland Dr. Hudsonville, MI 49426]. If Spectrum Automation Solutions exercises its option to replace the Nonconforming Goods, Spectrum Automation Solutions shall, after receiving Buyer's shipment of the Nonconforming Goods, ship to Buyer, at Buyer's expense and risk of loss, the replacement.

4. Limitation of Liability:

IN NO EVENT SHALL SPECTRUM AUTOMATION SOLUTIONS BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF, OR RELATING TO, OR IN CONNECTION WITH ANY BREACH OF THESE TERMS AND CONDITIONS, REGARDLESS OF (A) WHETHER SUCH DAMAGES WERE FORESEEABLE, (B) WHETHER OR NOT SPECTRUM AUTOMATION SOLUTIONS WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, (C) THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND (D) THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

IN NO EVENT SHALL SPECTRUM AUTOMATION SOLUTIONS' AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THESE TERMS AND CONDITIONS, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNT PAID TO SPECTRUM AUTOMATION SOLUTIONS FOR THE GOODS AND SERVICES SOLD HEREUNDER.

5. Indemnification:

Buyer shall indemnify, defend and hold harmless Spectrum Automation Solutions and its officers, directors, employees, agents, affiliates, successors and permitted assigns (collectively, "Indemnified Party") against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including attorneys' fees, fees and costs of enforcing any right to indemnification under these Terms and Conditions and the cost of pursuing any insurance providers, incurred by and/or awarded against

Indemnified Party, relating to or arising out of any claim of a third party or Spectrum Automation Solutions arising out of or occurring in connection with the Goods purchased from Spectrum Automation Solutions or Buyer's negligence, willful misconduct or breach of these Terms and Conditions. Buyer shall not enter into any settlement without Spectrum Automation Solutions' or Indemnified Party's prior written consent.

6. Assignment:

Buyer shall not assign, transfer, delegate or subcontract any of its rights or obligations under these Terms and Conditions without the prior written consent of Spectrum Automation Solutions. Any purported assignment, transfer, delegation, or subcontract in violation of this Section shall be null and void. Spectrum Automation Solutions may at any time assign, transfer, delegate, or subcontract any or all of its rights or obligations under these Terms and Conditions without Buyer's consent.

7. Relationship of the Parties

Nothing contained in these Terms and Conditions shall be construed as creating any agency, partnership, franchise, business opportunity, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever. No relationship of exclusivity shall be construed from these Terms and Conditions.

8. Intellectual Property

As between Buyer and Spectrum Automation Solutions, Spectrum Automation Solutions is and will remain the sole and exclusive owner of all intellectual property rights in and to any proposal and each product delivered under the Purchase Order and any related specifications, instructions, documentation or other materials, including, but not limited to, all related copyrights, patents, and trademarks and other intellectual property rights. Buyer acknowledges that Buyer does not and will not have or acquire any ownership of these intellectual property rights in or to the proposal or any products delivered under the Purchase Order. Buyer agrees it will not alter, disassemble, or reverse engineer any products delivered under the Purchase Order delivered by Spectrum Automation Solutions without the prior written consent of Spectrum Automation Solutions.

9. Robot Programming and System Functionality Run Off

Note: The scope of robot programming and system functionality run off is defined by what is listed in this quote. All verbal and written communications must be appended to this quotation to be included in the scope of the project. **Any verbal or written communication surrounding robot programming and system functionality run off not documented or appended in this quote will not be honored.** This option includes system functionality verification and basic programming of customer part(s). Weld development, destructive, or non-destructive testing are addressed in the "Weld Development" section. Robot programming and system functionality is only verified for parts, prints, and models presented to Spectrum Automation Solutions.

To be determined before firm pricing is given:

Terms and Conditions

1. Review of the part(s) – prints, 3D models, or actual parts required
 - a. 3D models preferred
2. Variation of parts to be welded
3. Quantity of each variation to be welded

10. Weld Development

Note: The scope of weld development is defined by what is listed in this quote. All verbal and written communications must be appended to this quotation to be included in the scope of the project. **Any verbal or written communication surrounding weld development not documented or appended in this quote will not be honored.** Weld development is only valid for parts, prints and models presented to Spectrum Automation Solutions.

To be determined before firm pricing is given:

1. Review of the part(s) – prints, 3D models, or actual parts required
 - a. Weld prints needed – any weld characteristics, specifications, and requirements not identified on prints will not be taken in to consideration during development
2. Variation of parts to be developed
3. Testing requirements

11. On Site assistance:

Prices do not include tooling, programming of customer parts, or robot system installation unless otherwise stated. Spectrum Automation Solutions can provide additional on-site customer training, part programming, and installation assistance at an additional cost. All hours beyond eight (8) in one day or forty (40) in one week, as well as all Saturday hours, will be charged at time and one-half. All Sunday and holiday hours will be charged at a premium rate (double time).

12. Force Majeure:

No party shall be liable or responsible to the other party, nor be deemed to have defaulted under or breached these Terms and Conditions, for any failure or delay in fulfilling or performing any term of these Terms and Conditions (except for any obligations of Buyer to make payments to Spectrum Automation Solutions hereunder), when and to the extent such failure or delay is caused by or results from acts beyond the impacted party's ("Impacted Party") control, including, without limitation, the following force majeure events ("Force Majeure Event(s)"): (a) acts of God; (b) flood, fire, earthquake, other potential disaster(s) or catastrophe(s), such as epidemics, or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order, law, or actions; (e) embargoes or blockades in effect on or after the date of this Agreement; (f) national or regional emergency; (g) strikes, labor stoppages or slowdowns, or other industrial disturbances; (h) shortage of adequate power or transportation facilities; and (i) other similar events beyond the reasonable control of the Impacted Party.

13. Order Cancellation Charges:

If an order is cancelled after work has been started on the order, cancellation charges will be assessed in accord with the percent completion of the order.

14. Unanticipated Project Definition Modifications:

During the proposal, design, construction and implementation phases of a complex project, changes to the project scope may occur. Spectrum Automation Solutions will typically absorb the costs of small and incidental changes to the project scope. However, major changes resulting from a divergence from the initially agreed upon project parameters (including but not limited to part and part tooling redesign, system performance factors including throughput and equipment changes) will need to be carefully reviewed by the Project Management team and may result in a renegotiation of the delivery date and/or proposed system price in order to recover the additional costs associated with the increased labor and materials.

15. Flooring requirements:

Spectrum Automation Solutions will provide individual components weights and dimensions. For standard systems, special concrete considerations are typically not required if the floor is in good condition. Because of the variables involved, Spectrum Automation Solutions recommends that the customer contract a civil engineer to analyze the load carrying capacity of the soil and any isolation requirements for larger systems or if the existing concrete is questionable.

16. Buyer Warranty Period*

Spectrum Automation Solutions will assume parts expense of correcting defects during the full warranty period. All warranty periods start from the date of purchase to the Buyer or from the date of manufacture if the original invoice cannot be provided, and are as follows:

- 1 Year
- Craftsmanship
- 30 Days
- All Engineering and Service Labor.

*Equipment manufactured for Spectrum Automation Solutions is subject to the warranty period of the original manufacturer (for example: Sick Products - 1 year).

17. Conditions of Warranty - To obtain warranty coverage:

The Buyer must contact Spectrum Automation Solutions about any defect claimed under Spectrum Automation Solutions' warranty prior to correction. Determination of warranty on equipment will be made by Spectrum Automation Solutions. Spectrum Automation Solutions shall not be liable for a breach of the warranty set forth in these Terms and Conditions if (i) the Buyer makes any further use of such parts after giving such notice; (ii) the defect arises because the Buyer failed to follow written instructions as to the storage, installation, commissioning, use or maintenance of the parts; or (iii) Buyer alters or repairs such parts without the prior written consent of Spectrum Automation Solutions.

Terms and Conditions

EXCEPT FOR THE WARRANTIES SET FORTH HEREIN, SPECTRUM AUTOMATION SOLUTIONS MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO PARTS OR SERVICES, INCLUDING (A) WARRANTY OF MERCHANTABILITY; (B) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; OR (C) WARRANTY OF TITLE, WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.

Products manufactured by a third party ("Third-Party Product") may constitute, contain, be contained in, incorporated into, attached to, or packaged together with, the parts provided by Spectrum Automation Solutions. Third Party Products are not covered by the warranty in these Terms and Conditions. For the avoidance of doubt, SPECTRUM AUTOMATION SOLUTIONS MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO ANY THIRD-PARTY PRODUCT, INCLUDING ANY (x) WARRANTY OF MERCHANTABILITY; (y) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; or (z) WARRANTY OF TITLE, WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.

18. Warranty Repair:

If Spectrum Automation Solutions confirms the existence of a defect covered by this warranty, the defect will be corrected by repair or replacement at Spectrum Automation Solutions' option.

THE REMEDIES SET FORTH IN THIS SECTION SHALL BE THE BUYER'S SOLE AND EXCLUSIVE REMEDY AND SPECTRUM AUTOMATION SOLUTIONS' ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTY SET FORTH IN THESE TERMS AND CONDITIONS.